

ORIGINAL



0000122974

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

Arizona Corporation Commission

DOCKETED

FEB 9 2011

2011 FEB -9 P 3:50

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

DOCKETED BY

*[Signature]*

**COMMISSIONERS**

GARY PIERCE, Chairman

BOB STUMP

SANDRA D. KENNEDY

PAUL NEWMAN

BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF  
BALTERRA SEWER CORP. FOR A  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WASTEWATER  
SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. SW-20403A-05-0586

**NOTICE OF FILING  
(COMPLIANCE)**

Decision No. 68742 (June 5, 2006) requires Balterra Sewer Corp. ("Balterra") to file annual reports describing Balterra's "progress toward working with the water company for the requested area, Water Utility of Greater Tonopah, to increase the use of effluent specifically as it pertains to golf courses, ornamental lakes or other aesthetic water features."<sup>1</sup> These annual reports continue until the Balterra's next general rate case. Accordingly, Balterra provides this report.

The Commission required this report because, at the time Balterra's CC&N was issued, Balterra was a developer-controlled entity that was not affiliated with Water Utility of Greater Tonopah ("Greater Tonopah"). The Commission was concerned that the recycled water (effluent) generated by Balterra might not be used to reduce water use by Greater Tonopah, because there was no relationship between the water utility and the wastewater utility. This condition was proposed by Mayes Proposed Amendment No. 1, filed in this docket on May 30, 2006. The order was considered at the May 31, 2006 open meeting; during this meeting the Commission adopted Mayes Proposed Amendment No. 1 as part of Decision No. 68742.

The separate ownership that concerned the Commission no longer exists. Global Water, Inc. acquired the stock of Balterra Sewer Corp in a transaction that was approved by the Commission in April 2008. Global Water, Inc. also owns the stock of Greater Tonopah. Greater

<sup>1</sup> Decision No. 68742 at page 12, lines 7 to 9.

1 Tonopah holds the certificate of convenience and necessity (CC&N) for water service for the area  
2 covered by Balterra's wastewater CC&N. Thus, Balterra and Greater Tonopah are now under  
3 common ownership and management, and they will provide integrated water, wastewater, and  
4 recycled water service. In its order approving Global's acquisition of Balterra's stock, the  
5 Commission explained that "[h]aving the same company provide both water and wastewater  
6 service in the same service area is advantageous to all parties and the Commission should approve  
7 the acquisition...."<sup>2</sup>

8 As noted in Balterra's May 8, 2009 compliance filing, Balterra and Greater Tonopah will  
9 use Global's "Total Water Management" approach for the WUGT / Balterra service area. This  
10 approach includes extensive use of recycled water. For more information about Total Water  
11 Management, please see Global's Total Water Management White Paper, which can be found at  
12 this link: <http://www.gwresources.com/pdf/twm.pdf>. Global also provided information about its  
13 Total Water Management plan in the pending Global rate case (SW-20445A-09-0077 et al), and in  
14 the large CC&N case for the area adjacent to Balterra (W-02450A-06-0626 et al). Total Water  
15 Management includes providing recycled water for "golf courses, ornamental lakes or other  
16 aesthetic water features" as contemplated by Decision No. 68742.<sup>3</sup>

17 Balterra's service area is located in the Hassayampa Sub-Basin. A coordinated regional  
18 water resources management plan is needed for this area, including the extensive use of recycled  
19 water. Global's acquisition of Balterra's stock allows Global to extend Total Water Management  
20 to Balterra's service area. In conjunction with the Hassayampa Utility Company (also owned by  
21 Global Water, Inc.) and Greater Tonopah, Global has prepared a detailed water resources plan that  
22 includes extensive use of recycled water for the service areas of Balterra, Greater Tonopah and  
23 Hassayampa Utility Company. This plan was prepared as part of Tonopah's pending application  
24 for a Designation of Assured Water Supply from the Arizona Department of Water Resources  
25

26 <sup>2</sup> Decision No. 70310 (April 24, 2008) at page 4, lines 21 to 23.

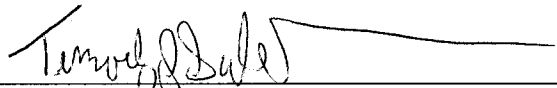
27 <sup>3</sup> Decision No. 68742 at page 12, lines 7 to 9.

**ROSHKA DEWULF & PATTEN, PLC**  
ONE ARIZONA CENTER  
400 EAST VAN BUREN STREET - SUITE 800  
PHOENIX, ARIZONA 85004  
TELEPHONE NO 602-256-6100  
FACSIMILE 602-256-6800

(ADWR). ADWR is conducting an extensive, regional planning process for the Hassayampa Sub-Basin.

RESPECTFULLY SUBMITTED this 9<sup>th</sup> day of February 2011.

ROSHKA DEWULF & PATTEN, PLC

By   
Michael W. Patten  
Timothy J. Sabo  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004

Original + 13 copies of the foregoing  
filed this 9<sup>th</sup> day of February 2011, with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Copies of the foregoing hand-delivered/mailed  
this 9<sup>th</sup> day of February 2011, to:

Lyn A. Farmer, Esq.  
Chief Administrative Law Judge  
Hearing Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Janice Alward, Esq.  
Chief Counsel, Legal Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Steve Olea  
Director, Utilities Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

ROSHKA DeWULF & PATTEN, PLC  
ONE ARIZONA CENTER  
400 EAST VAN BUREN STREET - SUITE 800  
PHOENIX, ARIZONA 85004  
TELEPHONE NO 602-256-6100  
FACSIMILE 602-256-6800

1 Mr. Brian Bozzo  
2 Compliance Manager  
3 Utilities Division  
4 Arizona Corporation Commission  
5 1200 West Washington  
6 Phoenix, Arizona 85007

7  
8  
9  
10  
11 By *Rubie Ormae*  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27